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AGENDA

Joint Committee on Plan Structure and Design

October 6, 2016 - 1:30 P.M.

Rice Conference Room, Tompkins County Health Department

1. Welcome
2. Changes to the Agenda
3. Approval of September 1, 2016 Minutes (1:35)
4. Report from the Board of Director's Chair (1:37) Judy Drake
5. Chair's Report (1:40) Phil VanWormer
6. Executive Director Report (1:45) Don Barber
 - a. Report on activities of other committees
 - b. Municipalities Joining Consortium
 - c. Appointing one additional Labor Director and process to select labor alternates
7. CanaRx (2:00) Feeley
8. Other Rx plan Management Opportunities (2:30) Barber
9. Next Meeting Agenda (2:40)
10. Adjournment (2:45)

Next Meeting: September 1, 2016



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MINUTES

Greater Tompkins County Municipal Health Insurance Consortium
Joint Committee on Plan Structure and Design
September 1, 2016 – 1:30 p.m.
Rice Conference Room, Health Department

Draft 9-4-2016

Present:

Municipal Representatives: 7 members

Judy Drake, Town of Ithaca and Board of Directors Chair; Eric Snow, Town of Virgil; Brooke Jobin, Tompkins County (arrived at 1:32 p.m.); Charmagne Rumgay, Town of Lansing; Jennifer Case, Town of Dryden; Carissa Parlato, Town of Ulysses (arrived at 1:33 p.m.); Michael Murphy, Village of Dryden (arrived at 1:32 p.m.)

Municipal Representative via Proxy: 2

Joan Mangione, Village of Cayuga Heights (Proxy – Carissa Parlato); Tom Brown, Town of Truxton (Proxy – Eric Snow)

Union Representatives: 6 members

Phil VanWormer, City of Ithaca Admin. Unit; Olivia Hersey, TC3 Professional Admin. Assoc. Unit; Tim Arnold, Town of Dryden DPW Jeanne Grace, City of Ithaca Exec. Assoc. (arrived at 1:35 p.m.); Jon Munson, Town of Ithaca Teamsters; Tim Farrell, City of Ithaca DPW

Union Representatives via Proxy: 4

Teresa Viza, TC Library Staff Unit (Proxy – Phil VanWormer); Kate DeVoe, TC Library Professional Staff Unit (Proxy – Phil VanWormer); Doug Perine, Tompkins County White Collar President (Proxy – Phil VanWormer); James Bower, Bolton Point-UAW Local 2300 (Proxy – P. VanWormer)

Others in attendance:

Don Barber, Executive Director; Meghan Feeley, Michael Larca, ProAct; Ted Schiele, Chair, Owning Your Own Health Committee; Beth Miller, Excellus

Call to Order

Mr. VanWormer, Chair, called the meeting to order at 1:32 p.m.

Approval of Minutes of August 4, 2016

It was MOVED by Ms. Hersey, seconded by Mr. Farrell, and unanimously adopted by voice vote by members present, to approve the minutes of August 4, 2016 as submitted. MINUTES APPROVED.

Chair's Report

Mr. VanWormer had no report.

Executive Director Report

Mr. Barber reported the next newsletter will be coming out at the end of the week and provided an overview of the articles that will appear in the issue. He informed the Committee of the schedule of flu clinics that are being offered to employees, their spouses, and any dependent age 18 and over.

Mr. Murphy and Ms. Parlato arrived at this time.

He announced Put Fruit to Work Week will take place during the week of September 19th and is a great opportunity to raise awareness among employees of healthy food in the workplace. Mr. Barber reported on municipal interest in joining the Consortium 2017 and said at this time information has been received from the Towns of Preble, Moravia, Scipio, Springport, and the Village of Union Springs. Interest has also been expressed by the Towns of Aurelius and Cincinnati.

Ms. Grace arrived at this time.

Mr. Barber reported on the process for contracting for a Prescription Drug Manager and said five responses were received to a Request for Proposals that was released last month. Interviews with three finalists will take place on September 7th and a recommendation will be forwarded to the Audit and Finance Committee and a decision is expected by the Board of Directors at its September meeting.

CanaRx

Ms. Feeley explained that CanaRx is an international drug program. Copies of a report showing the potential savings that can be accumulated with the program based on the utilization found within the provided claims on file compared against ProAct's pricing model. She said the savings would have been very substantial at \$1.6 million if all members used CanaRx. The CanaRx formulary focusses on brand-name drugs, although there are a couple of specialty medications. She noted if someone is already being prescribed a generic medication they would need a waiver form completed by a physician stating why they need a brand-name medication. Ms. Feeley explained the medications come from Tier I countries at a much lower cost than in the United States.

Ms. Hersey said employees of Tompkins County and TC3 already have the opportunity to use the CanaRx program. She asked what ProAct's involvement is with CanaRx and how it would work with the Consortium. Ms. Feeley said the CanaRx program works directly through the employer and not ProAct. ProAct has a great relationship with CanaRx and was brought forward as an opportunity for the Consortium to achieve a great amount of savings.

Mr. Barber said at the Owing Your Own Health Committee meeting it was explained that ProAct reviews the CanaRx formulary on a quarterly basis. Mr. Larca said they review the formulary along with utilization and would report back to the Consortium on potential savings. It is a completely voluntary program and CanaRx directly bills the employer.

Ms. Drake explained that an employee would sign a contract with CanaRx to receive a maintenance medication. Regardless of what prescription plan the member has there would be no copay and CanaRx would directly bill the Consortium. It is currently offered through the

County and TC; if the Consortium decided to use CanaRx all members would be able to use the program and the bill would come directly to the Consortium.

Mr. Murphy questioned what benefit there would be to ProAct moving members to the CanaRx program as they would be losing business. Ms. Feeley explained it ProAct is a Pharmacy Benefits Manager and their job is to manage the Consortium's costs and this is a great savings opportunity for the Consortium.

Ms. Hersey spoke of her personal experience using the CanaRx program and said she never had any problems or concerns in the three years she used the program. She estimated her savings to be in the range of \$400 per year. It was noted that the larger savings would be to the Consortium, however, lower claims costs ultimately impact the premiums paid by members. It is a one-time simple enrollment process for maintenance medications and CanaRx follows up with members to see that medications are refilled in a timely manner.

Mr. Schiele said the Owning Your Own Health Committee has discussed this in great detail and is now moving it out to other committees to become informed and have an opportunity to review information and ask questions.

Amendment to Bylaws – Proxies

Mr. VanWormer said the Committee began discussing clarifying who could be nominated to be a proxy for the Committee and reviewed the language being proposed.

It was MOVED by Ms. Hersey, seconded by Mr. Murphy, and unanimously adopted by voice vote by members present, to amend the current language for No. 6 in the bylaws:

“6. Members who are unable to attend meetings may submit a completed proxy form by paper copy, fax, or email to the Consortium's Administrative Clerk prior to the meeting. If notifying by e-mail the member must provide the date of the meeting they will not be attending and the individual to whom they are designating as the proxy.”

to read:

“6. Members who are unable to attend meetings may submit a completed proxy form by paper copy, fax, or email to the Consortium's Administrative Clerk prior to the meeting. The designated proxy must meet the eligibility as outlined in Section K.1 of the Municipal Cooperative Agreement. The proxy designation must include: 1) the date of the meeting they will not be attending, 2) the individual to whom they are designating as the proxy, and 3) If the person is not currently a member of the Committee, identify the labor group or municipality for which the individual would be eligible for Committee membership.”

2017 Budget Process and Status

Mr. Barber provided an update on the 2017 budget and reviewed information Locey and Cahill prepared for the Board of Directors to show the effect of assumptions the budget is based on. At the present time the projected premium rate increase for 2017 is 5% followed by 7% for 2018, 7.5% for 2019 and 2020. He spoke of the paid claims trend and said for past years and moving forward is 8.5% and administrative fees are being increased at a rate of inflation of 3%. The Audit and Finance Committee is discussing possible options for the Stop Loss insurance deductible. The Cadillac Tax is currently on hold; information may be available by 2018.

Next Meeting Agenda Items

The following items were brought forward for the October meeting agenda:

Continued discussion of CanaRx;
Update from Board of Directors meeting; and
Managing Pharmaceutical claims

Adjournment

The meeting adjourned at 2:19 p.m.